



MONEY *Versus* MAN

BY JAMES PHELAN



MONEY is as money does. To know what it has done, and is doing, is to know that the Federal Reserve System and the gold standard have destroyed representative government, and that if our monetary system is not abolished, it is inevitable that our nation will be destroyed via world government.

Most all avenues of public information give publicity to the evils of deficit borrowing and inflation, but readers are not informed as to the root cause of the evils. Deficit borrowing is not wrong in principle, nor are huge government deficits in themselves inflationary unless the money is borrowed from the commercial banks. Deficit borrowing of this nature is not only inflationary, but the nation's taxpayers are subjected to usury, fictitious debt bondage and taxation without representation, the combination of which is an integral part of the Federal Reserve monetary system.

The Real Issue Evaded

In discussions of the problem of inflation there is far too much double talk which serves to evade the real issue. Inflation is always and everywhere a monetary phenomenon caused by an excessive increase in the quantity of money relative to output. That which the economists refer to as cost-push and demand-pull inflation are the result, not

the cause of inflation, and both reflect a time lag between the action of the Federal Reserve money manipulators, and the reaction of industry, labor and the general public.

The quality of things is a study apart from economics which is strictly a quantitative science, and all economic terms, without exception, are quantitative terms: money, value, utility and whatever. Intrinsic value is an economic nonentity. Therefore, the answer to sound money is not determined by its quality as the Gresham law would have us believe, but by the scientific regulation of its quantity which is impossible under our corrupt money system because the creation of all of the nation's money is predicated upon fictitious debt. To fully understand the significance of this is to recognize that the no-win war of inflation vs. deflation will continue for as long as the Federal Reserve System exists.

It is noteworthy that in the original draft of the Federal Reserve Act, Senator Owen inserted a provision for stable money, but it was stricken out at the insistence of the international banker, Mr. Paul Warburg, who was the chief architect of the Act. His motives were challenged by Senator Owen, and by some members of the House Banking Committee, but to no avail.

In the early 1930's the drastic de-

struction of the fictitious debt money of the Federal Reserve reduced the nation's total quantity of money to 40% below the amount required to maintain a stable economy. Because of the chaotic conditions this created, a panic-stricken nation of desperate people had but one thought in mind. Security, by whatever means it might be obtained. The preservation of freedom was not a matter of concern to those with empty stomachs, nor did they care whether the dollar they came by was red or green.

Spend, Tax and Elect

It was then that the Old America died. The professional liberals and their Red cousins took over, while the Conservatives continued to look upon the Federal Reserve Act as a Holy Writ, and to pay tribute to the "barbarous metal gold," the arch aggressor of all time. Spend, tax and elect became democracy's manifesto. Now, some 40 years later, we have a massive network of anti-American bureaucratic and socialistic controls, enacted as defensive measures against the ravages of our corrupt fictitious debt money system.

During this entire period, going to the polls to vote has been an exercise in futility for those who would preserve our American heritage. If the Federal Reserve is not stripped of its powers, changes in administrations will not change the direction we are headed which is leading to the complete destruction of our form of government by majority vote. Anarchy, to which we are all a witness, does not stop of itself, and President Nixon has no effective plan to stop it if for no other reason than he is beholden to the international bankers who financed his recent election campaign.

International Money Manipulators

The money octopus of the Federal Reserve has its tentacles around the throats of all of us. Its fictitious debt money is the medium by which an all

powerful clique of international money manipulators has controlled our nation's destiny for most of this century. Operations behind the gold curtain are concealed even more effectively than they are behind the iron curtain, which is the reason for our failure to recognize that this international money power is the right wing, and international communism the left wing of the same bird of prey.

The ultimate goal of this organized money power is a world super government in which America would share in the overlordship of the world with the communists. The newly acquired massive powers of the International Monetary Fund, under the "paper gold" scheme, is clear evidence that its goal is in sight.

The only lawful way we can gain control of our destiny is by the repeal of the Federal Reserve Act, and our withdrawal from the International Monetary Fund, as required by the dictates of our Constitution. As evidence that the turn of the century marked the beginning of the end of America as a sovereign power in control of its destiny, I quote from the prophetic writings of Arthur Kitson. Never in history has there been a man with a keener insight into, and a more profound knowledge of, the science of money than Mr. Kitson:

"The gold standard means inevitable war. Nations cannot possibly exist for long under it. The children born of it are fire and sword, Red ruin, and the breaking up of laws."

"The repudiation of debt will become inevitable. Nations must strangle this monster or it will strangle them. It is not a mere abstract question of Economics. It is the greatest moral; the greatest social question which mankind has ever had to consider. It concerns the lives, fortunes and happiness of every human being in society, and of generations unborn. All other questions sink into

